

## Message Text

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71

ACTION EB-11

INFO OCT-01 ARA-16 ADP-00 SSO-00 INRE-00 AID-20 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-15 STR-08 OMB-01 CEA-02 L-03

H-03 PA-03 PRS-01 USIE-00 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06 SIL-01 NSCE-00

RSR-01 /136 W

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O 122100Z JUL 73

FM AMEMBASSY QUITO

TO SECSTATE WASHDC IMMEDIATE 8010

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E.O. 11652: N/A

TAGS: EFIN, EC

SUBJECT: UNSETTLED INVESTMENT DISPUTES

REF: STATE 132828.

1. CHARGE OBTAINED APPOINTMENT 15:00 HOURS JULY 12 TO  
CARRY OUT INSTRUCTIONS.

2. IN PREPARATION EXECUTING INSTRUCTIONS LOCAL REPS OF ADA  
CONSORTIUM AND ITT WERE CALLED TO CONFIRM DESIRE THEIR  
COMPANIES TO BE INCLUDED IN DEMARCHE. MORNING JULY 12  
LOCAL REP ADA STATED THAT CABLE FROM ADA CONSORTIUM  
HEADQUARTERS IN HOUSTON REQUESTED THAT ADA NOT REPEAT NOT  
BE INCLUDED IN THIS DEMARCHE. MINUTES BEFORE SCHEDULED  
APPOINTMENT ITT LOCAL LAWYER RELAYED PHONE CALL FROM LOCAL  
ITT REP, WHO NOW IN MIAMI, STATING THAT HE NOT REPEAT NOT  
PREPARED TO ENDORSE INCLUSION AACR EXPROPRIATION CLAIM IN  
DEMARCHE AND REQUESTED DELAY UNTIL JULY 17 BEFORE GIVING  
DEFINITIVE REPLY. ON BASIS FOREGOING, APPOINTMENT WITH  
SUBSECRETARY FONOFF DEFERRED UNTIL FOLLOWING WEEK.

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3. BELIEVE IT ENTIRELY APPROPRIATE AND POSSIBLY CONSTRUCTIVE TO DRAW GOE'S ATTENTION TO USG CONCERN OVER OUTSTANDING INVESTMENT DISPUTES AND CONSEQUENTLY HAVE NO RESERVATIONS ABOUT DEMARCHE, PROVIDED COMPANIES CONCERNED CONCUR. IN CASE OF MINAS Y PETROLEOS HOWEVER IT OUR UNDERSTANDING THAT THIS DISPUTE OR CLAIM SOMEWHAT AMBIGUOUS IN ABSENCE OF ANY SPECIFIC REPRESENTATION BY COMPANY TO GOE FOR COMPENSATION. IN OUR VIEW COMPANY UNDOUBTEDLY HAS GRIEVANCE FOR CANCELLATION OF CONTRACT BECAUSE OF UNPAID TAXES IMPOSED RETROACTIVELY, BUT WE ARE UNAWARE IF THIS GRIEVANCE HAS BEEN TRANSLATED INTO SPECIFIC REQUEST TO GOE FOR COMPENSATION. UNDER THESE CIRCUMSTANCES WHAT ACTION BY GOE WOULD BE CONSIDERED SATISFACTORY RESPONSE BY USG?

4. PENDING COMPANY RESPONSE MENTIONED IN PARA 2 ABOVE AND INSTRUCTIONS RE ISSUE IN PARA 3, WE WILL DEFER REQUEST FOR APPOINTMENT TO MAKE DEMARCHE. SINCE DEMARCHE WOULD BE MADE IN GENERAL TERMS RELATING TO OUTSTANDING ISSUES, WE THINK IT WOULD ALSO BE APPROPRIATE TO INCLUDE PENDING LAND EXPROPRIATION CASE OF H.T. SMITH AND UNPAID FMS BILL.  
CHAPLIN

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 JUL 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973QUITO03645  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 STATE 132828.  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNSETTLED INVESTMENT DISPUTES  
**TAGS:** EFIN, EC  
**To:** STATE  
**Type:** TE  
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